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10/824,935	04/15/2004	Steven Freiberg	3184/44	7562
31013 7590 09/23/2008 KRAMER LEVIN NAFTALIS & FRANKEL LLP INTELLECTUAL PROPERTY DEPARTMENT 1177 AVENUE OF THE AMERICAS NEW YORK, NY 10036				
EXAMINER VANDERHORST, MARIA VICTORIA				
ART UNIT 3688		PAPER NUMBER		
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

klpatent@kramerlevin.com

Office Action Summary

Application No.

10/824,935

Applicant(s)

FREIBERG, STEVEN

Examiner

M. VICTORIA VANDERHORST

Art Unit

3688

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 15 April 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-64 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-64 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on _____ is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO/SF/ICE)
- Paper No(s)/Mail Date 04/15/2004 and 09/21/2005
- 4) ☐ Interview Summary (PTO-413)
- Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Status of Claims

This communication is in response to application 10/824935, filed on 04/15/2004.

Claims 1-64 are currently pending and have been examined.

Claims 1-64 have been rejected.

Examiner's Remarks /Comments

1. As to claims 1, 17, 18, 33, 49 and 50 Applicant recites i.e., "... the purchase of at least one travel ticket and, if so, determining" Language that suggests or makes optional, but does not require steps to be performed or does not limit a claim to a particular structure does not limit the scope of a claim or claim limitation (MPEP 2106 IIC). The appropriate correction is required.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 33-64 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As to claim 33 and 50, they recite a computerized **system** comprising a series of "software". These "software or module" limitations are functional descriptive material. Further, claims 33 and 50 do not recite that this "software" (logic module) is recorded on a computer readable medium, employed as a computer component, etc. Therefore, it is

respectfully submitted that claim 33 and 50 are non-statutory because, as per MPEP 2106, descriptive material is non-statutory when claimed as descriptive material per se and not functionally and structurally interrelated to a medium.

As to claims 34-49 and 51-64, they depend from claim 33 and 50 and do not cure the deficiencies set forth above. Therefore, claim 34-49 and 51-64 are also rejected for being directed to non-statutory subject matter.

4. Claims 1-32 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As to claims 1 and 18, they are rejected under 35 U.S.C. 101 because the claimed invention is directed to nonstatutory subject matter. Based on Supreme Court precedent, a method/process claim must (1) be tied to another statutory class of invention (such as a particular apparatus) (see at least *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing (see at least *Gottschalk v. Benson*, 409 U.S. 63, 71 (1972)). A method/process claim that fails to meet one of the above requirements is not in compliance with the statutory requirements of 35 U.S.C. 101 for patent eligible subject matter. Here claims 1 and 18 fail to meet the above requirements because the claims fail to tie in another statutory class of invention.

As to claims 2-17 and 19-32, they depend from claim 1, 18 and do not cure the deficiencies set forth above. Therefore, claim 2-17 and 19-32 are also rejected for failing to tie in another statutory class of invention.

Claim Rejections - 35 USC § 112

5. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

6. Claims 1, 17, 18, 33, 49, 50 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Moreover, the word "if" or "whether" in the claims suggest or makes the steps optional but does not require any steps to be performed.

As to claims 33 and 50, they recite in the preamble that the claim is directed towards the statutory category of a system. However, the body of the claim 33 and 50 comprise a series of "module or software", and thus is directed towards functional descriptive material. Therefore, it is not clear how a series of "module" (or functional descriptive material) constitutes a system. Clarification is required.

As to claims 34-49 and 51-64, they depend from claims 33 and 50 and contain the same deficiencies. Therefore, claims 34-49 and 51-64 are also rejected under 35 USC 112, second paragraph, for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Clarification is required. For examination purposes, Examiner has construed the system to contain a combination of software and hardware elements.

7. Claims 33 and 50 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

As to claims 33 and 50, the claims recite that is a system. They have claim limitation expressed in means-plus function language. The recitation of the claims contains software. It is unclear how a system that claims structure "means for" is only containing software or modules. (MPEP 2181). Clarification is required.

8. Rejections under 35 U.S.C. 112, 2nd Paragraph, Fails to Clearly Link or Associate the Disclosed Structure, Material, or Acts to the Function Recited in a Claim Limitation Invoking 35U.S. C. 112, Sixth Paragraph

As to claims 33 and 50, claim elements such as "means for determining" or "means for providing" are a means (or step) plus function limitation that invokes 35 U.S.C. 112, sixth paragraph. However, the written description fails to clearly link or associate the disclosed structure, material, or acts to the claimed function such that one of ordinary skill in the art would recognize what structure, material, or acts perform the claimed function. There is not explicit recitation in the specification of any physical structures to perform the functions of the means-plus-function limitations in the claims. Therefore, 35 U.S.C. 112, 6th paragraph has not been successfully invoked. The examiner will consider the means to perform the claimed functions as any means, physical or virtual, that can perform the function.

Applicant is required to:

- (a) Amend the claim so that the claim limitation will no longer be a means (or step) plus function limitation under 35 U.S.C. 112, sixth paragraph; or
- (b) Amend the written description of the specification such that it clearly links or associates the corresponding structure, material, or acts to the claimed function without introducing any new matter (35 U.S.C. 132(a)); or
- (c) State on the record where the corresponding structure, material, or acts are set forth in the written description of the specification that perform the claimed function. For more information, see 37 CFR 1.75(d) and MPEP 2181 and 608.01(0).

Claim Rejections - 35 USC § 103

9. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

10. Claims 1-13, 18-30, 33-45, and 48-62 are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. PG Pub 2003/0078864 Hardesty in view of U.S. Patent 5,774,870 Storey.

As to claims 1, 3, 33, 35, Hardesty discloses a computerized method for rewarding use of a payment product by the payment product holder (Hardesty's system discloses a rebate program comprising an authorized payment method, paragraph 0004), the method comprising the steps of:

issuing a payment product from an issuer to a holder, said payment product representing funds available to said holder, said payment product providing means of payment for at least one purchase transaction by said holder (**abstract**),

determining whether said at least one purchase transaction using said payment product is a qualifying purchase transaction in compliance with pre-defined rewards eligibility criteria of said issuer (**paragraphs 0004, 0030, 0064, 0073, Fig. 4, Claims 1 and 8 of Hardesty's reference**),

providing a value redeemable by said holder for at least one benefit based on said at least one purchase transaction if said at least one purchase transaction using said payment product is a qualifying purchase transaction (**paragraphs 0002, 0004, 0023 and 0024**),

determining whether a qualifying purchase transaction includes the purchase of at least one travel ticket (**"travel card", Claims 1, 20-22**),

providing for redemption of at least a part of at least one of said value and said additional value for said at least one benefit (**In Hardesty's system the consumer gets the specific benefit of accumulate money (a deposit) for each transaction when using the card for purchasing goods and services. The additional value for the benefit is reached when the money gains on tax deferred basis, Claims 1, 8, 11, and 12 of Hardesty's reference**).

But Hardesty does not disclose determining a travel distance associated with said at least one travel ticket and providing an additional value redeemable by said holder for said at least one benefit based on said determined travel distance

However, Storey discloses determining a travel distance associated with said at least one travel ticket (**Storey discloses an on-line frequency award program, “Enrolled users may browse through an award catalog and electronically redeem an amount of awarded points towards an award”, abstract, Col. 1:11-55, Claim 17 of Storey’s reference.)**)

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Storey’s teaching into the system of Hardesty in order to provide a full integrated award-program based on mileage, this program would increase consumer loyalty.

Hardesty does not disclose providing an additional value redeemable by said holder for said at least one benefit based on said determined travel distance.

However, official notice has been taking that is old and well known in the art of implementing loyalty programs that some companies (airlines, credit cards, etc) offer additional rewards or benefits related with travel distance such as “frequent buyers” programs. For example, **Shel Horowitz. “www.frugalmarketing.com”. 20020413. page 1 of 2.** Shel’s article dated from February 1998 refers to a local store that incentives loyal customers with two frequent miles for every dollar spent when they use MasterCard.

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention of Hardesty, to incorporate the frequent flyer program with any other program that provide additional miles (value) such as a frequent buyer program. One would have been attracted to make business with that company in order to accumulate miles or points and redeem them in a flexible and convenient way.

As to claims 2 and 34, Hardesty and Storey disclose a method and a system according to claim 1 and 33 above, and Hardesty further discloses wherein said payment product is at least one of a credit card, a debit card, a bank card, a smart card, and an automated teller machine card (**claim 22 of Hardesty's reference**).

As to claims 4, 6, 36 and 38, Hardesty and Storey disclose a method and a system according to claims 1 and 33 above, and Storey further discloses comprising the step of presenting said at least one benefit for selection by said holder in a catalog including at least one of goods and services and good and services that are travel-related ("**award catalog**", **Col. 1:55-65, Col. 2:15-25, Col. 5:36-51 of Storey's reference**; "**travel card**", **Claims 1, 20-22 of Hardesty's reference**).

As to claims 5 and 37, Hardesty and Storey disclose a method and a system according to claim 4 and 36 above, and Hardesty further discloses wherein said at least one benefit is selected from a provider of at least one of goods and services different (**Hardesty's system has benefits that are associated with non-spending behavior, paragraph 0030**) from a provider of at least one of goods and services associated with said qualifying purchase transaction (**Hardesty's system has benefits that are associated with qualifying purchases, paragraph 0030**).

As to claims 7, 8, 39 and 40, Hardesty and Storey disclose a method and a system according to claims 6 and 38 above, and Storey further discloses wherein said at least one benefit is at least one of free and discounted travel on a carrier or destination of said holder's choosing (**"the traveler may redeem the points for a free flight ticket or a free rental car", Col. 1: 20-28**).

As to claims 9 and 41, Hardesty and Storey disclose a method and a system according to claim 6 and 38 above. Hardesty does not disclose wherein said at least one benefit is at least one of free and discounted lodging of said holder's choosing.

However, Official Notice has been taken that is old and well known in the art of redemption of points or mileage in an award program to redeem the miles of points for an award chosen from an specific range of awards for the consumer qualifying behavior such as hotels, trips or products from a catalog.

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention to combine the teaching of Hardesty and Storey with the common practice of redeem points or mileage for a discount or free loading or hotel. One would be motivated to provide this kind of redemption alternative in order to increase customer satisfaction and loyalty.

As to claims 10, 11, 42 and 43, Hardesty and Storey disclose a method and a system according to claim 4 and 36 above, and Hardesty further discloses wherein said catalog is provided over a global computer network wherein said global computer network is the Internet. (**Claim 15 of Hardesty's reference, paragraph 0007**).

As to claims 12, 13, 44 and 45, Hardesty and Storey disclose a method and a system according to claims 1 and 33 above, and Hardesty further discloses wherein said step of providing for redemption of at least a part of at least one of said value and said additional value for said at least one benefit includes the step of fulfilling a request by said holder to redeem at least part of said at least one of said value and said additional value for said at least one benefit (Storey's system discloses, "enrolled users may browse through an award catalog and electronically redeem an amount of awarded points towards an award. The program then electronically places an award redeeming order with the fulfillment house and updates the user's award account...", abstract, Fig. 4. Further, Storey's system discloses that his system provides an online award redeem form to fulfill the award. Claim 17 of Storey's reference. Moreover, Storey's system discloses the award program having an award value for redemption equal or less than the award ceiling (partial redemption), claim 21 of Storey's reference. Regarding Hardesty's system providing additional value, his system has benefits that are associated with non-spending behavior, and also benefits that are associated with qualifying purchases, paragraph 0030).

As to claims 17, 48 and 49, Hardesty and Storey disclose a method and a system according to claims 1 and 33 above, and Storey further discloses wherein said value and said additional value are accruable in an accrued rewards value balance (in Storey's system there is a frequent database to store accounting information

such as balances for each user of the incentive award program, Claim 1 of Storey's reference), and wherein said step of providing for redemption of at least a part of at least one of said value and said additional value for said at least one benefit is effected if said accrued rewards value balance is at least one of equal to and greater than a pre-selected threshold amount associated with said at least one benefit **(Storey's system contains an "award ceiling", claims 8 and 9 of Storey's reference)**.

As to claims 18, 22, 50 and 54, Hardesty and Storey disclose a method and a system for effecting a rewards program based on use of a payment product **(Hardesty's system discloses a rebate program comprising an authorized payment method, paragraph 0004)**, the method comprising the steps of:

retrieving payment product data associated with a payment product issued by an issuer to a holder, said payment product data including a holder identification and an accrued rewards value balance ("**...participating individuals apply and are approved and are issued a card with an identifiable account number... the rebate is calculated and transferred to the participant's account...**", Abstract),

retrieving transaction data associated with at least one purchase transaction using said payment product **(paragraphs 0004, 0030, 0064, 0073, Fig. 4, Claims 1 and 8 of Hardesty's reference)**,

determining from said transaction data whether said at least one purchase transaction using said payment product is a qualifying purchase transaction in compliance with pre-defined rewards eligibility criteria, calculating a value redeemable by said holder for at least one benefit based on said at least one purchase transaction if said at least one purchase transaction using said payment product is a qualifying purchase transaction (**paragraphs 0002 , 0004, 0023 and 0024**),

retrieving travel-related purchase data associated with any travel-related purchases included in said qualifying purchase transaction, determining from said travel-related purchase data if said qualifying purchase transaction includes the purchase of at least one travel ticket ("**travel card**". **Claims 1, 20-22**),

updating said accrued rewards value balance based on at least one of said calculated value and said calculated additional value (**In Hardesty's system the consumer gets the specific benefit of accumulate money (a deposit) for each transaction when using the card for purchasing goods and services. The additional value for the benefit is reached when the money gains on tax deferred basis , Claims 1, 8, 11, and 12 of Hardesty's reference**),

providing said holder with an opportunity to redeem at least a part of said accrued rewards value balance for said at least one benefit (**In Hardesty's system the consumer gets the specific benefit of accumulate money (a deposit) for each transaction when using the card for purchasing goods and services. The**

**additional value for the benefit is when the money gains on tax deferred basis ,
Claims 1, 8, 11, and 12 of Hardesty's reference).**

But Hardesty does not disclose determining from said travel-related purchase data a travel distance associated with said at least one travel ticket and calculating an additional value redeemable by said holder for said at least one benefit based on said determined travel distance,

However, Storey discloses determining a travel distance associated with said at least one travel ticket (**Storey discloses an on-line frequency award program, "Enrolled users may browse through an award catalog and electronically redeem an amount of awarded points towards an award", abstract, Col. 1:11-55, Claim 17 of Storey's reference).**

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Storey's teaching into the system of Hardesty in order to provide a full integrated award-program based on mileage, this program would increase consumer loyalty.

Hardesty does not disclose calculating an additional value redeemable by said holder for said at least one benefit based on said determined travel distance.

However, official notice has been taking that is old and well known in the art of implementing loyalty programs that some companies (airlines, credit cards, etc) offer additional rewards or benefits related with travel distance such as "frequent buyers" programs. For example, Shel Horowitz. "www.frugalmarketing.com". 20020413.

page 1 of 2. Shel's article dated from February 1998 refers to a local store that incentives loyal customers with two frequent miles for every dollar spent when they use MasterCard.

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention of Hardesty, to incorporate the frequent flyer program with any other program that provides additional miles (value) such as a frequent buyer program. One would have been attracted to make business with that company in order to accumulate miles or points and redeem them in a flexible and convenient way.

Hardesty does not disclose comparing said accrued rewards value balance against a pre-selected threshold amount associated with said at least one benefit to ascertain whether said accrued rewards value balance is sufficient to entitle said holder to receive said at least one benefit.

However, Storey discloses comparing said accrued rewards value balance (in Storey's system there is a frequent database to store to store accounting information such as balances for each user of the incentive award program, Claim 1 of Storey's reference) against a pre-selected threshold amount associated with said at least one benefit to ascertain whether said accrued rewards value balance is sufficient to entitle said holder to receive said at least one benefit (Storey's system contains an "award ceiling", claims 8 and 9 of Storey's reference).

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Storey's teaching into the system of Hardesty in order to ensure accurate and predictable results when a reward is redeemed.

As to claims 19, 20, 51, and 52 Hardesty and Storey disclose a method and a system according to claims 18 and 50 above, and Storey further discloses comprising the steps of receiving a request by said holder to redeem at least a part of said accrued rewards value balance for said at least one benefit, deducting any redeemed value and additional value from said accrued rewards value balance, and fulfilling said request (Storey's system discloses, "enrolled users may browse through an award catalog and electronically redeem an amount of awarded points towards an award. The program then electronically places an award redeeming order with the fulfillment house and updates the user's award account...", abstract, Fig. 4. Further, Storey's system discloses that his system provides an online award redeem form to fulfill the award, Claim 17 of Storey's reference. Moreover, Storey's system discloses the award program having an award value for redemption equal or less than the award ceiling (partial redemption), claim 21 of Storey's reference. Regarding Hardesty's system providing additional value, his system has benefits that are associated with non-spending behavior, and also benefits that are associated with qualifying purchases, paragraph 0030).

As to claims 21 and 53, Hardesty and Storey disclose a method and a system according to claims 18 and 50 above, and Hardesty further discloses wherein said

payment product is at least one of a credit card, a debit card, a bank card, a smart card, and an automated teller machine card (**claim 22 of Hardesty's reference**).

As to claims 23, 25, 55, and 57, Hardesty and Storey disclose a method and a system according to claims 18 and 50 above, and Storey further discloses wherein said step of providing said holder with an opportunity to redeem at least a part of said accrued rewards value balance includes the step of presenting said at least one benefit for selection by said holder in a catalog including at least one of goods and services (**"award catalog", Col. 1:55-65, Col. 2:15-25, Col. 5:36-51 of Storey's reference; "travel card", Claims 1, 20-22 of Hardesty's reference**).

As to claims 24, and 56, Hardesty and Storey disclose a method and a system according to claims 23 and 55 above, and Hardesty further discloses wherein said at least one benefit is selected from a provider of at least one of goods and services different (**Hardesty's system has benefits that are associated with non-spending behavior, paragraph 0030**) from a provider of at least one of goods and services associated with said qualifying purchase transaction (**Hardesty's system has benefits that are associated with qualifying purchases, paragraph 0030**).

As to claims 26, 27, 58 and 59, Hardesty and Storey disclose a method and a system according to claims 25 and 57 above, and Storey further discloses wherein said at least one benefit is at least one of free and discounted travel on a carrier of said holder's choosing (**"the traveler may redeem the points for a free flight ticket or a free rental car", Col. 1: 20-28**).

As to claims 28 and 60, Hardesty and Storey disclose a method and a system according to claims 25 and 57 above. Hardesty does not disclose wherein said at least one benefit is at least one of free and discounted lodging of said holder's choosing.

However, Official Notice has been taken that is old and well known in the art of redemption of points or mileage in an award program to redeem the miles of points for an award chosen from an specific range of awards for the consumer qualifying behavior such as hotels, trips or products from a catalog.

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention to combine the teaching of Hardesty and Storey with the common practice of redeem points or mileage for a discount or free loading or hotel. One would be motivated to provide this kind of redemption alternative in order to enhance customer satisfaction.

As to claims 29, 30, 61 and 62, Hardesty and Storey disclose a method and a system according to claim 23 and 55 above, and Hardesty further discloses wherein said catalog is provided over a global computer network wherein said global computer network is the Internet (**Claim 15 of Hardesty's reference, paragraph 0007**).

11. Claims 14-16, 31, 32, 46, 47, 63 and 64 are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. PG Pub 2003/0078864 Hardesty in view of U.S. Patent 5,774,870 Storey in further view of webpage "PNCBANK The Thinking Behind The Money", 20021216, page 1 of 3,

(http://www.pncbank.com/smbiz/products/merchant_service/0,3810,741,00.html)

As to claim 14, 15, 16, 46 and 47, Hardesty and Storey disclose a method and a system according to claim 1 and 33 above, Storey further discloses qualifying purchase transaction, wherein travel distance is associated with said at least one travel ticket (**Col. 1:11-55**).

But Hardesty does not disclose obtaining Level 3 Data associated with the purchase transaction.

However, the website "PNCBANK The Thinking Behind The Money" does teach "**PNC Merchant Services** offers comprehensive supplier services through its purchasing card products, which include terminal and PC-based applications supporting level I and II processing. Level III purchasing card line item detail is also supported on certain PC software applications", (Page 1).

Therefore, a predictable result of Hardesty would have been to incorporate Level III purchasing card line item detail from PNC bank which contains detail information on origination city or airport code and destination city or airport code and additional legs of the trip (i.e. the consumer booked an Airpass with several legs), with the purchase transaction data of Hardesty's system to calculate the distance.¹

¹ Ex parte Smith, 83 USPQ2d 1509 (Bd. Pat. App. & Int. 2007); Claims in application for patent on pocket insert for book are obvious in view of combination of two prior art patents, since claims are combinations that merely unite old elements with no change in their respective functions, and which yield predictable results, since neither applicant's specification nor her arguments present any evidence that modifications necessary to effect combinations are uniquely challenging or difficult for person of ordinary skill in art, and since claimed improvement is no more than simple substitution of one known element for another, or mere application of known technique to piece of prior art ready for improvement. KSR International Co. v. Teleflex Inc., 82 USPQ2d 1385 (U.S. 2007);

As to claims 31 and 32, 63 and 64, Hardesty and Storey disclose a method and a system according to claim 18 above, Storey further discloses qualifying purchase transaction, wherein is travel-related purchase data (Col. 1:11-55).

But Hardesty does not disclose obtaining Level 3 Data associated with the purchase transaction.

However, the website "PNCBANK The Thinking Behind The Money" does teach "**PNC Merchant Services** offers comprehensive supplier services through its purchasing card products, which include terminal and PC-based applications supporting level I and II processing. Level III purchasing card line item detail is also supported on certain PC software applications", (Page 1).

Therefore, a predictable result of Hardesty would have been to incorporate Level III purchasing card line item detail (called enhanced data) from PNC bank which contains detail information on origination city or airport code and destination city or airport code and additional legs of the trip (i.e. the consumer booked an Airpass with several legs), with the purchase transaction data of Hardesty's system.²

² Ex parte Smith, 83 USPQ2d 1509 (Bd. Pat. App. & Int. 2007); Claims in application for patent on pocket insert for book are obvious in view of combination of two prior art patents, since claims are combinations that merely unite old elements with no change in their respective functions, and which yield predictable results, since neither applicant's specification nor her arguments present any evidence that modifications necessary to effect combinations are uniquely challenging or difficult for person of ordinary skill in art, and since claimed improvement is no more than simple substitution of one known element for another, or mere application of known technique to piece of prior art ready for improvement. KSR International Co. v. Teleflex Inc., 82 USPQ2d 1385 (U.S. 2007);

Point of Contact

Any inquiry concerning this communication or earlier communications from the examiner should be directed to M. VICTORIA VANDERHORST whose telephone number is (571)270-3604. The examiner can normally be reached on regular.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Myhre can be reached on 571 272 6722. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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/M. V./
Examiner, Art Unit 3688

/Raquel Alvarez/
Primary Examiner, Art Unit 3688